CONCORDIA UNIVERSITY

BOARD OF GOVERNORS

CONCORDIA EMPLOYEE BENEFITS COMMITTEE

Meeting of February 1st, 1980

Attendance: Mr. H. Hemens, Chairman, Mr. E.A. Lemieux, Prof. C. Goldman, Prof. C. Potter, Miss S. O'Reilly, Prof. G. Martin, Mr. C. Waters, Miss M.D. Johnson, Messrs. J.L. Bourbeau, and R. Brochu of William M. Mercer Ltd.

Selection of Fund Managers

Before approaching the question of whom the Pension Fund should be managed by, the advantages and disadvantages of splitting the fund were discussed. It was agreed that a split by asset class would leave the Committee with the very important asset mix decision.

It was proposed by Mr. Lemieux, seconded by Professor Martin and unanimously carried that the Pension Fund not be split by asset class.

The advantages of having two fund managers was discussed at some length. While the administrative costs of dealing with two managers would be slightly greater, it was generally agreed that any cost increase would be more than compensated for by increased performance.

It was proposed by Mr. Lemieux seconded by Professor Potter and carried that the fund be divided equally between two fund managers.

A discussion ensued upon the merits of the six fund managers under consideration. Beutel Goodman emerged as the favourite of the majority of Committee members due to their stability and past performance.

It was proposed by Professor Martin, seconded by Mr. Lemieux and unanimously carried that Beutel Goodman be named as fund managers for 50% of the Pension fund assets.

Further discussion ensued and the Committee came to a concensus that the other half of the fund be managed by either Montreal Investment Management or by Jarislowsky Fraser and Company. It was generally agreed that these two firms were well qualified to act as investment counsel.

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It was decided that a meeting would be held on Thursday, February 7th, 1980 to reach a final decision. In the meantime, it was agreed that the Secretary would contact these firms to ask:

1. Whether or not they would agree to administer one half of the fund.

2. If they would agree to provide the Comittee on an ongoing basis with the methods used for internal performance appraisal and stock selection such as use of betas in risk/return assessments.

The meeting terminated at 2:00 p.m.

Colin Dates